

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7243

BILL NUMBER: HB 1510

NOTE PREPARED: Jan 4, 2011

BILL AMENDED:

SUBJECT: Farm Winery Distiller's Permits.

FIRST AUTHOR: Rep. Clere

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill allows a holder of a farm winery brandy distiller's permit to: (1) manufacture, rectify, and bottle liquor; and (2) sell at retail on the permitted premises, by the glass or bottle, or both, liquor that the distiller has manufactured. It renames the permit the farm winery distiller's permit. It makes conforming changes.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Alcohol and Tobacco Commission (ATC):* This bill could increase administrative expenditures for the ATC by requiring the ATC to amend rules governing issuance of a farm winery distiller's permits. The ATC's current level of resources should be sufficient to implement this change.

Explanation of State Revenues: *Impact on Alcohol Sales:* To the extent that any of the provisions of this bill affect alcoholic beverage sales, state revenue will be impacted. Any change in sales will affect revenue from the alcoholic beverage excise taxes and the Sales Tax.

The alcoholic beverage excise taxes are distributed in varying amounts to the following funds: state General Fund, the Post War Construction Fund, the Enforcement and Administration Fund, the Addiction Services Fund, and the Wine Grape Market Development Fund. The state retains 50% of the General Fund distribution of beer and wine excise tax revenue. The remainder is distributed to cities and towns based on population.

Sales Tax revenue is deposited in the state General Fund (99.178%), the Public Mass Transportation Fund (0.670%), the Commuter Rail Service Fund (0.123%), and the Industrial Rail Service Fund (0.029%).

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: ATC.

Local Agencies Affected: Counties, cities, and towns.

Information Sources:

Fiscal Analyst: Diana Agidi, 317-232-9867.